

SENATE MOTION

MR. PRESIDENT:

I move that Senate Bill 184 be amended to read as follows:

- 1 Page 2, line 36, delete "." and insert "**subject to section 19 of this**
- 2 **chapter.**".
- 3 Page 2, line 38, delete "." and insert "**subject to section 19 of this**
- 4 **chapter**".
- 5 Page 2, line 39, after "property," insert "**subject to section 19 of**
- 6 **this chapter and**".
- 7 Page 7, line 38, delete "." and insert "**subject to section 19 of this**
- 8 **chapter.**".
- 9 Page 7, line 40, delete "." and insert "**subject to section 19 of this**
- 10 **chapter**".
- 11 Page 7, line 41, after "property," insert "**subject to section 19 of**
- 12 **this chapter and**".
- 13 Page 8, after line 42, begin a new paragraph and insert:
- 14 "SECTION 9. IC 32-8-3-19 IS ADDED TO THE INDIANA CODE
- 15 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 16 1, 2001]: **Sec. 19. (a) This section applies only to a contract for the**
- 17 **construction, alteration, or repair of any of the following:**
- 18 **(1) A church or an improvement on the same real estate**
- 19 **auxiliary to a church.**
- 20 **(2) A school or an improvement on the same real estate**
- 21 **auxiliary to a school.**
- 22 **(3) Exempt charitable property, if the cost of the construction,**
- 23 **alteration, or repair does not exceed two hundred thousand**
- 24 **dollars (\$200,000).**
- 25 **(b) As used in this section, "owner" refers only to any of the**
- 26 **following:**
- 27 **(1) A person who owns a church.**
- 28 **(2) A person who owns a school.**
- 29 **(3) A person who owns exempt charitable property.**
- 30 **(c) A contract containing a no lien provision under section 1(c)**
- 31 **of this chapter must also contain a provision that requires the**

1 contractor to execute a payment bond approved by the owner in an
 2 amount equal to the contract price.

3 (d) A payment bond required by subsection (c) must state the
 4 following:

5 (1) That the bond is binding on the contractor, all
 6 subcontractors, and their successors or assigns for the
 7 payment of all indebtedness to a person for labor and services
 8 performed, material furnished, or services rendered in the
 9 performance of the contract.

10 (2) That the bond is for the benefit of the subcontractors,
 11 laborers, material suppliers, and those performing services
 12 under the contract.

13 (3) That the surety of the bond may not be released until one
 14 (1) year after the owner's final settlement with the contractor.

15 (e) A person to whom money is due for labor performed,
 16 material furnished, or services provided under the contract must,
 17 not later than sixty (60) days after:

18 (1) the completion of the labor or service; or

19 (2) the last item of material has been furnished;

20 file with the owner signed duplicate statements of the amount due.
 21 The owner shall forward to the surety of the bond one (1) of the
 22 signed duplicate statements. However, failure of the owner to
 23 forward a signed duplicate statement does not:

24 (1) affect the rights of a person to whom money is due; or

25 (2) operate as a defense for the surety.

26 (f) An action may not be brought against the surety until thirty
 27 (30) days after the filing of the signed duplicate statements with the
 28 owner. If the indebtedness is not paid in full at the end of that
 29 thirty (30) day period, the person may bring an action in court. The
 30 court action must be brought not later than sixty (60) days after
 31 the date of the final completion and acceptance of the work by the
 32 owner."

33 Renumber all SECTIONS consecutively.

(Reference is to SB 184 as printed February 16, 2001.)

Senator LANANE